



LIMPOPO  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF  
EDUCATION

CAPRICORN SOUTH DISTRICT

**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 11**

**MAY/JUNE 2023**

**BUSINESS STUDIES P1**

**MARKS: 150**

**TIME: 2 hours**

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This question paper consists of 10 pages.

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**INSTRUCTIONS AND INFORMATION**

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections and covers TWO main topics.

SECTION A: COMPULSORY

SECTION B: Consists of THREE questions

Answer any TWO of the three questions in this section.

SECTION C: Consists of TWO questions

Answer any ONE of the two questions in this section.

2. Read the instructions for each question carefully and take particular note of what is required.

Note that ONLY the first TWO questions in SECTION B and the FIRST question in SECTION C will be marked.

3. Number the answers carefully according to the numbering system used in this question paper. No marks will be awarded for answers that are numbered incorrectly.
4. Except where other instructions are given, answers must be written in full sentences.
5. Use the mark allocation and nature of each question to determine the length and depth of an answer.
6. Use the table below as a guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME (minutes)
<b>A: Objective-type questions COMPULSORY</b>	<b>1</b>	<b>30</b>	<b>20</b>
<b>B: THREE direct/indirect type questions CHOICE: Answer any TWO.</b>	<b>2</b>	<b>40</b>	<b>70</b>
	<b>3</b>	<b>40</b>	
	<b>4</b>	<b>40</b>	
<b>C: TWO essay-type questions CHOICE: Answer any ONE.</b>	<b>5</b>	<b>40</b>	<b>30</b>
	<b>6</b>	<b>40</b>	
<b>TOTAL</b>		<b>150</b>	<b>120</b>

7. Begin the answer to EACH question on a NEW page, e.g. QUESTION 1 – new page, QUESTION 2 – new page.
8. You may use a non-programmable calculator.
9. Write neatly and legibly.

**SECTION A (COMPULSORY)****QUESTION 1**

- 1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question numbers (1.1.1 to 1.1.5) in the ANSWER BOOK, for example 1.1.6 D.

1.1.1 Anchor Bank operates in the ... sector, as they specialise in providing financial facilities.

- A primary
- B secondary
- C tertiary
- D economic

1.1.2 The way of forming power relations on how businesses can get credit easily is, through ...

- A strategic alliance.
- B persuasion of large investors.
- C influencing company representatives'.
- D influencing government representatives'.

1.1.3 Walters Cooldrinks changes their packaging continually; this is known as ...

- A packaging for double use.
- B packaging for resale.
- C speciality packaging.
- D kaleidoscopic packaging.

1.1.4 Businesses use ... when sales staff have face-to-face contact with potential customers.

- A personal selling
- B advertising
- C sales promotion
- D publicity

1.1.5 The ... ensures that the human resources manager guard against discriminatory appointment.

- A Labour Relations Act (LRA), 1995 (Act 66 of 1995)
- B Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997)
- C Employment Equity Act (EEA), 1998 (Act 55 of 1998)
- D Compensation for Occupational Injuries and Disease Act (COIDA), 1997 (Act 61 of 1997)

(5 x 2) (10)

- 1.2 Complete the following statements by using the word(s) provided in the list below. Write only the word(s) next to the question number (1.2.1 to 1.2.5) in the ANSWER BOOK.

takeover; shopping; industrial relations; full control; demographics;  
merger; convenience; psychographics; industrial action; no control

1.2.1 Businesses have ... over the micro environment.

1.2.2 A ... occurred when Fuller (Pty) Ltd and Paddy (Pty) Ltd agreed to combine to form one business.

1.2.3 The interaction between the employees and management is known as ...

1.2.4 Consumers buy ... goods after putting time and effort into comparing similar products.

1.2.5 Tammy Designers studied the attitudes and tastes of their target market. This is an example of ...

(5 x 2) (10)



- 1.3 Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letter (A–J) next to the question numbers (1.3.1 to 1.3.5) in the ANSWER BOOK, for example 1.3.6 K.

COLUMN A	COLUMN B
1.3.1 Inflation	A Agreement between businesses leading to mutual benefits.
1.3.2 Quality circles	B An organised association of workers formed to protect their rights and interest of employees.
1.3.3 Networking	C General increase in the population of the country.
1.3.4 Scheduling	D The way materials need to move from one point to the next until the final product is completed.
1.3.5 Workplace forum	E General increase in the prices of goods and services in the country.
	F Meet regularly to discuss how quality and productivity could be improved.
	G Works out the time required to perform each activity and by when the process needs to be completed.
	H A coordinated activity where people who have similar objectives meet and exchange information and ideas.
	I Representative of employees who are delegated to act on behalf of employees within the business.
	J A group of internal experts requested to solve the quality of products.

(5 x 2) (10)

**TOTAL SECTION A: 30**

**SECTION B**

Answer ANY TWO questions in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of each question that you choose. The answer to EACH question must start on a NEW page, for example QUESTION 2 on a new page, QUESTION 3 on a NEW page.

**QUESTION 2: BUSINESS ENVIRONMENTS**

- 2.1 State TWO examples of contemporary legislation that may affect business operations. (2)
- 2.2 Elaborate on the meaning of *power relationships*. (4)
- 2.3 Read the scenario below and answer the question that follows.

**STEEL MANUFACTURERS (SM)**

Steel Manufacturers (SM) invested a large amount of capital into an information technology system to update their business operations. SM changed how their business is structured to compete in a changing market.

Identify TWO ways in which SM are adapting to challenges of the business environment. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 2.3.

WAYS TO ADAPT TO CHALLENGES	MOTIVATIONS
1.	
2.	

(6)

- 2.4 Explain the link between the primary, secondary and tertiary sector. (4)
- 2.5 Discuss the following challenges of the market environment:
- 2.5.1 Shortage of supply of stock (4)
- 2.5.2 Changes in customer behaviour (4)

2.6 Read the scenario below and answer the questions that follow.

**VASHNIE FASHION DESIGNERS (VFD)**

Vashnie Fashion Designers employ fashion designers who are always late for work despite several warnings. The government has increased import tariffs, making it difficult for VFD to continue importing designer clothing from China. VFD purchase their raw materials from Ditebogo Clothing Manufacturers who are usually out of stock.

Use the table below as a guide to answer the following questions

CHALLENGE (2.6.1)	BUSINESS ENVIRONMENT (2.6.2)	EXTENT OF CONTROL (2.6.3)
(a)		
(b)		
(c)		

2.6.1 Quote THREE challenges faced by VFD in the scenario above. (3)

2.6.2 Classify EACH challenge according to the THREE business environments. (6)

2.6.3 State the extent of control VFD has over EACH business environment identified in QUESTION 2.6.2. (3)

2.7 Suggest ways in which businesses can overcome competition in the market. (4)

[40]

### QUESTION 3: BUSINESS OPERATIONS

3.1 Mention TWO factors that influence pricing. (2)

3.2 Briefly outline the requirements of a good trademark. (6)

3.3 Identify the types of intermediaries used by Melwin Manufacturers in EACH statement below:

3.3.1 Melwin Manufacturers use smaller-scale traders to sell to consumers in smaller quantities. (2)

3.3.2 Melwin Manufacturers make use of representatives to organise transactions between them and the final consumer. (2)

3.4 Explain the role of public relations in publicity. (6)

3.5 Explain total quality management (TQM) as part of quality management system. (6)

- 3.6 Read the scenario below and answer the question that follows.

**MIKE FURNITURE SUPPLIERS (MFS)**

Mike Furniture Suppliers uses different pricing techniques to attract old and new customers. Mike, the owner of the business shared the following pricing techniques with the rest of his team in the business:

- He offers sales and gives special offers.
- He sets prices based on what other furniture shops are charging customers.

- 3.6.1 Identify the pricing techniques used by MFS. Motivate your answer by quoting from the scenario.

Use the table below as a guide to answering QUESTION 3.6.1

PRICING TECHNIQUES	MOTIVATIONS
1.	
2.	

(6)

- 3.7 Define Quality Control.

(4)

- 3.8 Suggest ways in which businesses can comply with the Occupational Health and Safety Act.

(6)

**[40]**



**QUESTION 4: MISCELLANEOUS TOPICS****BUSINESS ENVIRONMENTS**

- 4.1 Name TWO components of the macro environment. (2)
- 4.2 Read the scenario below and answer the questions that follow.

**BOSHOF TRADERS (BT)**

Boshoff Traders (BT) are faced with many challenges. The managers at BT lack adequate management skills. Difficult employees also make the daily running of the business a challenge. The newly implemented labour restrictions are also affecting BT negatively.

- 4.2.1 Quote TWO challenges of the micro environment from the scenario above. (2)
- 4.2.2 State TWO other challenges of the micro environment. (2)
- 4.3 Explain the purpose of the Labour Relations Act. (6)
- 4.4 Discuss hedging against inflation as a type of lobbying. (4)
- 4.5 Suggest ways in which businesses can have a direct influence on the environment. (4)

**BUSINESS OPERATIONS**

- 4.6 Name TWO aspects that must be considered during production planning. (2)
- 4.7 Explain the reasons why businesses must manage safety in the workplace. (8)
- 4.8 Read the scenario below and answer the questions that follow.

**WANDA BAGS (WB)**

Wanda Bags (WB) specialises in the manufacturing of various travelling bags. Their designers are working on the design and development of product ideas that would allow for a one size fits all approach.

- 4.8.1 Name ONE stage of the product design from the scenario above. (2)
- 4.8.2 Explain other stages of the product design that would also be followed by WB. (8)

**[40]****TOTAL SECTION B: 80**

**SECTION C**

Answer ONE question in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of each question chosen. The answer to the question must start on a NEW page, for example QUESTION 5 on a NEW page OR QUESTION 6 on a NEW page.

**QUESTION 5: BUSINESS ENVIRONMENTS (SOCIO-ECONOMIC ISSUES)**

Businesses need to have a good relationship with the trade unions in order to prevent strike actions which have a negative impact on businesses. The work environment can be affected by ethical misconduct and piracy and therefore needs to be identified and reported by businesses. Solutions to piracy needs to be implemented to protect intellectual property.

With reference to the above, write an essay on the following aspects:

- Outline the functions of trade unions.
- Explain the negative impact of strikes as a socio-economic issue on businesses.
- Elaborate on the meaning of industrial relations.
- Discuss the following solutions to piracy:
  - o Patent
  - o Trademark

[40]

**QUESTION 6: BUSINESS OPERATIONS (PRODUCTION FUNCTION)**

Successful production planning enables the aspects of production control to be implemented in business operations. Businesses must be well informed of the purpose of the Occupational Health and Safety Act and must take the necessary precautionary measures when handling machinery.

As an expert in production planning, write an essay on the following aspects:

- Discuss the advantages of production planning.
- Explain THREE aspects that must be considered during production control.
- Explain the purpose of the Occupational Health and Safety Act.
- Recommend precautionary measures that businesses should take when handling machinery.

[40]

**TOTAL SECTION C: 40**  
**GRAND TOTAL: 150**



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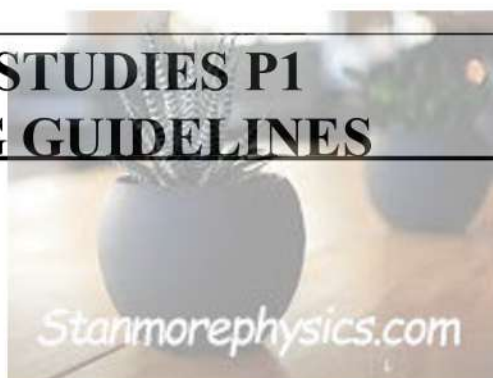


**GRADE 11**

**MAY/JUNE 2023**

**BUSINESS STUDIES P1  
MARKING GUIDELINES**

**MARKS: 150**



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This marking guideline consists of 26 pages.

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**NOTES TO MARKERS****1. PREAMBLE**

The notes to markers are provided for quality assurance purposes to ensure the following:

- (a) Fairness, consistency and reliability in the standard of marking
- (b) Facilitate the moderation of candidates' scripts at the different levels
- (c) Streamline the marking process considering the broad spectrum of markers across the country
- (d) Implement appropriate measures in the teaching, learning and assessment of the subject at schools/institutions of learning

- 2. Candidates' responses must be in full sentences for SECTIONS B and C. However, this would depend on the nature of the question.
- 3. A comprehensive marking guideline has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:
  - ☐ Uses a different expression from that which appears in the marking guideline
  - ☐ Comes from another credible source
  - ☐ Original
  - ☐ A different approach is used


**NOTE: There is only ONE correct answer in SECTION A.**

- 4. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
- 5. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
- 6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.
- 7. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
- 8. In an indirect question, the theory as well as the response must be relevant and related to the question.
- 9. Correct numbering of answers to questions or sub questions is recommended in SECTIONS A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.



10. No additional credit must be given for repetition of facts. Indicate with an 'R'.
11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
- 11.1 When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance, e.g. **Positive:** 'COIDA eliminates time and costs spent√ on lengthy civil court proceedings.' √
- 11.2 When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance candidates are also expected to support their responses with more depth, e.g. 'COIDA eliminates time and costs spent√ on lengthy civil court proceedings, √ because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.' √
- NOTE:**
1. The above could apply to 'analyse' as well.
  2. Note the placing of the tick (√) in the allocation of marks.
12. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the marking guideline and the context of each question.
- Cognitive verbs, such as:
- 12.1 Advise, name, state, outline, motivate, recommend, suggest, (*list not exhaustive*) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.
- 12.2 Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, analyse, evaluate, critically evaluate (*list not exhaustive*) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.
13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.

## 14. SECTION B



14.1 If for example, FIVE facts are required, mark the candidate's FIRST FIVE responses and ignore the rest of the responses. Indicate by drawing a line across the unmarked portion.

**NOTE:**

1. This applies only to questions where the number of facts is specified.
2. The above also applies to responses in SECTION C. (where applicable)

14.2 If two facts are written in one sentence, award the candidate FULL credit. Point 14.1 above still applies.

14.3 If candidates are required to provide their own examples/views, brainstorm this at the marking centre to finalise alternative answers.

14.4 **Use of the cognitive verbs and allocation of marks:**

14.4.1 If the number of facts are specified, questions that require candidates to 'describe/discuss/explain' may be marked as follows:

- |                                      |   |
|--------------------------------------|---|
| <input type="checkbox"/> Fact        | 2 marks (or as indicated in the marking guidelines) |
| <input type="checkbox"/> Explanation | 1 mark (two marks will be allocated in SECTION C)   |

The 'fact' and 'explanation' are given separately in the marking guideline to facilitate mark allocation.

14.4.2 If the number of facts required is not specified, the allocation of marks must be informed by the nature of the question and the maximum mark allocated in the marking guideline.

14.5 **ONE mark may be awarded for answers that are easy to recall, requires one-word answers or is quoted directly from a scenario/case study. This applies to SECTIONS B and C in particular (where applicable).**



## 15. SECTION C

15.1 The breakdown of the mark allocation for the essays is as follows:

Introduction	<b>Maximum: 32</b>
Content	
Conclusion	
Insight	<b>8</b>
<b>TOTAL</b>	<b>40</b>

15.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, a body, and a conclusion?	2
Analysis and interpretation	Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked?  Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A')	2
Synthesis	Are there relevant decisions/facts/responses made based on the questions? Marks to be allocated using this guide: Option 1: <b>Only relevant facts: 2 marks (No '-S')</b> Where a candidate answers 50% or more (two to four sub-questions) of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis. Option 2: <b>Some relevant facts: 1 mark (One '-S')</b> Where a candidate answers less than 50% (only one sub-question) of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 3: <b>Some relevant facts: 1 mark (One '-S')</b> Where a candidate writes FOUR questions, but one sub-question of the question with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 4: <b>No relevant facts: 0 marks (Two '-S')</b> Where a candidate answers less than 50% (only one sub-question) of the question with no relevant facts; two '-S' appear in the left margin. Award a ZERO mark for synthesis.	2
Originality	Is there evidence of examples based on recent information, current trends and developments?	2
<b>TOTAL FOR INSIGHT:</b>		<b>8</b>
<b>TOTAL MARKS FOR FACTS:</b>		<b>32</b>

**TOTAL MARKS FOR ESSAY (8 + 32): 40**

**NOTE:** 1. No marks will be awarded for contents repeated from the introduction and conclusion.

2. The candidate forfeits marks for layout if the words **INTRODUCTION** and **CONCLUSION** are not stated.

3. No marks will be awarded for layout, if the headings **INTRODUCTION** and **CONCLUSION** are not supported by an explanation.



15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O').

15.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guideline to each question.

15.5 Mark all relevant facts until the SUB MAX/MAX mark in a subsection has been attained. Write SUB MAX/MAX after maximum marks have been obtained, but continue reading for originality "O".

15.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

CONTENT	MARKS
Facts	32 (max.)
L	2
A	2
S	2
O	2
TOTAL	40

15.7 When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same subheadings. Remember, headings and subheadings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought.

(See MARK BREAKDOWN at the end of each question.)

15.8 If the candidate identifies/interprets the question **INCORRECTLY**, then he/she may still obtain marks for layout.

15.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guideline.

15.10 15.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.





15.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (✓) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy, ✓ where businesses aim to introduce new products into existing markets.' ✓

This will be informed by the nature and context of the question, as well as the cognitive verb used.

15.11 With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the marking guidelines, will not necessarily apply to each question. This would also depend on the nature of the question.




## SECTION A

## QUESTION 1

- 
- 1.1 1.1.1 C ✓✓  
1.1.2 B ✓✓  
1.1.3 D ✓✓  
1.1.4 A ✓✓  
1.1.5 C ✓✓

(5 x 2) (10)

- 1.2 1.2.1 full control ✓✓  
1.2.2 merger ✓✓  
1.2.3 industrial relations ✓✓  
1.2.4 shopping ✓✓  
1.2.5 psychographics ✓✓
- 

(5 x 2) (10)

- 1.3 1.3.1 E ✓✓  
1.3.2 J ✓✓  
1.3.3 H ✓✓  
1.3.4 G ✓✓  
1.3.5 I ✓✓

(5 x 2) (10)

**TOTAL SECTION A: 30**


## SECTION B

Mark the **FIRST TWO** answers only.

### QUESTION 2: BUSINESS ENVIRONMENTS

#### 2.1 Examples of contemporary legislation that effects business operations

- Labour Relations Act ✓✓
- National Credit Act ✓✓
- Consumer Protection Act ✓✓
- Employment Equity Act ✓✓
- Skills Development Act ✓✓
- Broad Based Black Economic Empowerment Act ✓✓
- Compensation for Occupational Injuries and Diseases Act ✓✓ / OHSA ✓✓
- Basic Conditions of Employment Act ✓✓
- Companies Act ✓✓
- Any other relevant answer related to examples of contemporary legislation that may affect business operations.

**NOTE: Mark the first TWO (2) only.**

**(2 x 1) (2)**

#### 2.2 Meaning of *power relationships*

- Power relations can be described as a measurement of a business's ability ✓ to control its environment and the behaviour of other businesses. ✓
- A business forms relationships ✓ with its environment and markets. ✓
- The power that the business has on the environment ✓ determines the status it holds within its industry. ✓
- Any other relevant answer related to the meaning of power relationships.

**Max. (4)**

#### 2.3 Ways in which businesses are adapting to challenges from the scenario

WAYS TO ADAPT TO CHALLENGES		MOTIVATIONS
1. Information management ✓✓		Steel Manufacturers (SM) invested a large amount of capital into an information technology system to update their business operations. ✓
2. Organisation design and flexibility ✓✓		SM changed how their business is structured to compete in a changing market. ✓
Sub-max. (4)		Sub-max. (2)

**NOTE: 1. Mark the first TWO (2) only.**

2. The answer does not have to be in tabular format.
3. Award marks for the ways adapting to challenges even if the quotes were incomplete.
4. Do not award marks for the motivations if the ways adapting to challenges were incorrectly identified.

**Max. (6)**

**2.4 Link between the primary, secondary and tertiary sector**

- The primary sector depends on the secondary sector ✓ for manufactured goods such as machinery/equipment/fertilisers. ✓
- The primary sector is dependent on the tertiary sector ✓ for its customer needs. ✓
- The primary sector depends on other primary sectors ✓ for raw materials/feed e.g. a farmer may require seeds from another farm. ✓
- The secondary sector processes the raw materials obtained from the primary sector into more useful products. ✓
- The secondary sector depends on the primary sector ✓ for raw materials and products. ✓
- The secondary sector depends on other secondary industries for manufactured products needed to be used in the manufacturing of their product. ✓
- Secondary sector needs the tertiary sector ✓ to sell their processed or manufactured goods and also for services such as banks, insurance, transport and communication. ✓
- The tertiary sector depends on the primary sector ✓ for raw materials that do not need processing by the secondary sector. ✓
- The tertiary sector depends on the secondary sector ✓ for manufactured goods such as office machines/office furniture/stationery etc. ✓
- Any other relevant answer related to the link between the primary, secondary and tertiary sector.

**Max. (4)****2.5 Challenges of the market environment****2.5.1 Shortage of supply of stock**

- Any shortage ✓ can have a seriously negative effect on production and profits. ✓
- Dissatisfied customers can damage the reputation ✓ and threaten the future of the business. ✓
- Poor stock control by the business ✓ will result in customers not getting their orders/products needed. ✓
- Country-wide labour strikes in the manufacturing industry ✓ will result in orders/products not reaching consumers. ✓
- Raw material may be unavailable ✓ due to droughts and interruptions. ✓
- Any other relevant answer related to shortage of supply as a challenge in the market environment.

**Max. (4)**



**2.5.2 Changes in customer behaviour**

- Changes in customer behaviour means that products/services no longer suit the target market ✓ and sales decrease. ✓
- Consumers' preferences and tastes can change ✓ as fashions change and as technology advances. ✓
- Keeping up with changes in consumer tastes and demand ✓ by doing research/finding ways to influence consumer demand/conducting advertising campaigns adds to the challenge. ✓
- Any other relevant answer related to changes in consumer behaviour as a challenge in the market environment.

**Max. (4)****2.6 Challenges faced by the business**

<b>CHALLENGE (2.6.1)</b>	<b>BUSINESS ENVIRONMENT (2.6.2)</b>	<b>EXTENT OF CONTROL (2.6.3)</b>
(a) Vashnie Fashion Designers employ fashion designers who are always late for work despite several warnings. ✓	Micro environment ✓✓	Full control ✓
(b) VFD purchase their raw materials from Ditebogo Clothing Manufacturers who are usually out of stock. ✓	Market environment ✓✓	Less or limited control ✓
(c) The government has increased import tariffs, making it difficult for VFD to continue importing designer clothing from China. ✓	Macro environment ✓✓	No control ✓
Sub max 3	Sub max 6	Sub max 3

**NOTE: 1. Do not award marks for challenges not fully quoted from the scenario.**

**2. Do not award marks for business environments if it is not linked to the challenges**

**3. Award marks for the business environments even if the quote is incomplete.**

**4. Extent of control must be linked to the business environment.**

**5. Do not award marks for the extent of control is the business environment is not mentioned.**

**6. The order may be different.**

**Max (12)**

## 2.7 Ways in which businesses can overcome competition in the market

- Offering different products and services than the competitors to satisfy the customer's needs and wants. ✓✓
- Offering more personal services by being responsive to the customer's needs/expectations. ✓✓
- Offering low-cost extras such as improved credit terms/discounts/loyalty schemes etc. ✓✓
- Charging lower prices than that of the other businesses. ✓✓
- Selling products of a superior quality/new products/services that the customers might be interested in. ✓✓
- Well trained/knowledgeable staff members that create a better working atmosphere. ✓✓
- Stepping up the marketing of the business by using promotional ideas such as posters or campaigns on social media. ✓✓
- Updating the image of the business such as painting the front of the premises/ making the business looking modern/inviting. ✓✓
- Keeping up with developments in the sector of the business sector, following consumer trends/investing in new technology. ✓✓
- Improving customer services and ensuring client satisfaction. ✓✓
- Any other relevant answer related on ways in which businesses can overcome competition in the market.

**Max.** (4)  
[40]

[illegible]

**QUESTION 3: BUSINESS OPERATIONS****3.1 Factors influencing pricing**

- Input costs ✓
- Demand for the product ✓
- Target market ✓
- Type of product ✓
- Pricing technique used to determine the price. ✓
- Competitive and substitute products ✓
- The economic climate and availability of goods and services ✓
- Forms of markets ✓
- Any other relevant answer related to factors influencing pricing.

**NOTE: Mark the first TWO (2) only.**

(2 x 1) (2)

**3.2 Requirements of a good trademark**

- Trademarks must be attractive and promote the product. ✓✓
- Make it easy for consumers to recognise the product. ✓✓
- Easy to recognise, remember and pronounce. ✓✓
- Helps build brand familiarity. ✓✓
- Must suit the product. ✓✓
- Suitably designed for the target market. ✓✓
- Must be different from its competitors. ✓✓
- Must promote the image of the enterprise. ✓✓
- Link the product to its promotion strategy. ✓✓
- Draw the attention of consumers. ✓✓
- Any other relevant answer related to the requirements of a good trademark.

**Max.** (6)

**3.3 Types of intermediaries from statements**

3.3.1 Retailer ✓✓

3.3.2 Agent ✓✓

(2 x 2) (4)

**3.4 Role of public relations in publicity**

- Public relations aim to present a favourable image of the business ✓ and its products or service. ✓
- Many businesses outsource the PR function to an outside agency ✓ to take advantage of their specialised knowledge. ✓
- The PR department builds good relationships ✓ with representatives of the media and press. ✓
- They keep the media informed of news ✓ about product launches and opening of new factories or shops for the attention of the public. ✓
- The PR function supports marketing efforts ✓ to establish and build a brand identity. ✓
- Any other relevant answer related to the role of public relations in publicity.

**Max.** (6)



**3.5 Total Quality Management as part of quality management system**

- It is a management philosophy that seeks to integrate ✓ all organisational functions such as marketing/finance/customer services etc. ✓
- The focus is on improving the quality of products and services ✓ in order to satisfy the needs of customers. ✓
- Total Quality Management refers to all aspects of quality ✓ within the business. ✓
- It is the responsibility of everyone in the organisation ✓ from top management to general workers. ✓
- Businesses strive to get it right the first time ✓ by implementing the elements of TQM. ✓
- It is a thought revolution in management, ✓ where the entire business is operated with customer orientation in all business activities. ✓
- Any other relevant answer related to total quality management (TQM) as a part of quality management systems.

**Max. (6)****3.6 Pricing techniques from a scenario**

PRICING TECHNIQUES	MOTIVATIONS
1. Promotional pricing ✓✓	He offers sales and gives special offers. ✓
2. Competition based ✓✓	He sets prices based on what other furniture shops are charging customers. ✓
Sub max 4	Sub max 2

- NOTE:**
1. Mark the first TWO (2) only.
  2. The answer does not have to be in tabular format.
  3. Award marks for the pricing technique even if the quotes were incomplete.
  4. Do not award marks for the motivations if the pricing techniques were incorrectly identified.

**Max. (6)****3.7 Definition of Quality Control**

- the process of ensuring that goods or services are made to Consistently high standards ✓✓
- The inspecting of final products to ensure that it meets the required standards. ✓✓

**Max (4)****3.8 Ways in which businesses can comply with the Occupational Health and Safety Act**

- Provide workers with protective gear to protect themselves against potentially dangerous situations. ✓✓
- Ensure that first aid boxes are readily available at the workplace and in the factory. ✓✓
- Make fire extinguishers available at the workplace or in the factory. These fire extinguishers need to be serviced regularly. ✓✓
- Machinery must be maintained at regular intervals and repaired promptly. ✓✓
- Any other relevant answer related to ways in which businesses can comply with the Occupational Health and Safety Act,

**Max (6)****[40]**



## QUESTION 4: MISCELLANEOUS TOPICS

### BUSINESS ENVIRONMENTS

#### 4.1 Components of the macro environment

- Physical/Natural environment ✓
- Economic environment ✓
- Social/Cultural/Demographic environment ✓
- Technological environment ✓
- Legal environment ✓
- Political environment ✓
- International/Global environment ✓
- Institutional environment ✓

**NOTE: Mark the first TWO (2) only.**

(2 x 1) (2)

#### 4.2 Challenges of the micro environment

##### 4.2.1 Challenges of the micro environment from the scenario

- The managers at BT lack adequate management skills. ✓
- Difficult employees also make the daily running of the business a challenge. ✓

**NOTE: Mark the first TWO (2) only.**

(2 x 1) (2)

##### 4.2.2 Other challenges of the micro environment

- Lack of vision and mission ✓
- Unions ✓
- Strikes and go slows ✓
- Skills shortages among employees ✓
- High employee turnover ✓
- Employee absenteeism ✓
- Any other relevant answer related to other challenges of the micro environment.

**NOTE: 1. Mark the first TWO (2) only.**

**2. Do not award marks for responses that were quoted from the scenario in QUESTION 4.2.1**

**Max. (2)**

### 4.3 Purpose of the LRA

- Provides a framework where the employees, trade unions and employers work together ✓ to discuss matters relating to employment, e.g. wages, conditions of employment. ✓
- Promotes orderly negotiations and employee participation ✓ in decision-making in the workplace. ✓
- Promotes resolution of labour disputes, ✓ through the establishment of the Commission for Conciliation, Mediation and Arbitration (CCMA). ✓
- Promotes fair ✓ employment practices. ✓
- Provide a framework/structure for labour relations ✓ between employer and employees. ✓
- Provides simple procedures ✓ for the registration of trade unions and employers' organisations. ✓
- Regulates the rights of trade unions and facilitates ✓ collective bargaining. ✓
- Regulates the effectiveness of bargaining councils ✓ and statutory councils. ✓
- Allows workplace forums ✓ where employees may participate in decision-making. ✓
- Establishes the Commission for Conciliation, Mediation and Arbitration (CCMA) to resolve labour disputes ✓ through statutory conciliation, mediation and arbitration. ✓
- Endorses the right to strike against retrenchments, ✓ and facilitates labour disputes. ✓
- Clarifies the transfer ✓ of contracts of employment procedures. ✓
- Establishes Labour Courts and Labour Appeal Courts ✓ to deal with labour issues. ✓
- Provide fair labour practice ✓ between the employer and employee. ✓
- Deals with ✓ strikes and lockouts and workplace forums. ✓
- Establishes workplace forums to promote ✓ the interest of all employees in the workplace whether they belong to the trade union or not. ✓
- Advances economic development/social justice/labour peace ✓ to ensure the workplace maintain the basic rights of employees. ✓
- Any other relevant answer related to the purpose of the Labour Relations Act.

**Max. (6)**

### 4.4 Hedging against inflation as a type of lobbying

- The business use hedging by buying bonds, shares, property or buying precious metals like gold ✓ to protect capital from the effects of inflation. ✓
- Businesses invest surplus fund ✓ so that its value grows at a faster rate than inflation. ✓
- Businesses use hedging to protect their financial investments ✓ by spreading the risk. ✓
- Any other relevant answer related to hedging against inflation as a type of lobbying.

**Max. (4)**

**4.5 Ways in which businesses can have a direct influence on the environment**

- Businesses need to be flexible by getting involved in research/development so that they can continue to operate. ✓✓
- Influence its suppliers by signing long term contracts. ✓✓
- Create new uses for a product by finding new customers. ✓✓
- Influence regulators through lobbying and bargaining. ✓✓
- Initiate bargaining sessions between management and unions. ✓✓
- Influence its owners' using information contained in annual reports. ✓✓
- Negotiate strategic alliance agreement through contractual processes. ✓✓
- Any other relevant answer related to ways in which businesses can have a direct influence on the environment.

**Max. (4)**

**BUSINESS OPERATIONS**

**4.6 Aspects that must be considered during production planning**

- Planning ✓
- Routing ✓
- Loading
- Scheduling ✓

**NOTE: Mark the first TWO (2) only.**

**(2 x 1) (2)**

**4.7 Reasons why businesses must manage safety in the workplace**

- To abide✓ by laws✓
- To care✓ for workers✓
- Not to be sued✓ or fined✓
- Workplace accidents can result in injuries and deaths, ✓ and can result in possible financial trouble for the business. ✓
- The publicity of workplace accidents✓ will negatively impact a business' image. ✓
- Regular or serious workplace accidents may even cause investors to withdraw their money✓ and invest it in another company. ✓
- Employees may lose confidence in the business✓ and leave it to join safer companies. ✓
- Potential employees may decide not to accept a job offer✓ at a business where many accidents have occurred. ✓

**Max (8)**



**4.8 Stages of the product design****4.8.1 Stage of the product design from the scenario**

Design and development of product ideas ✓✓

(2 x 1) (2)

**4.8.2 Other stages of the product design that would be followed**

- Selecting and sifting ✓ of product ideas/ Idea screening. ✓
- Development and testing of the product concept ✓ which should happen before a product is developed. ✓
- Analysis of the profitability ✓ of the product concept ✓/Business analysis. ✓
- Design and test ✓ the physical product ✓/a real product is made for the first time. ✓
- Consumer responses must be tested ✓ using a small sample of the product/Market testing. ✓
- Technical implementation ✓/Systems and processes are put in the production planning and control process. ✓
- Commercialisation ✓/The product is launch and marketing/advertising campaigns implemented. ✓
- New product pricing ✓/The product is priced and forecasts worked out. ✓
- Any other relevant answer related to the other stages of the product design that would be followed.

**NOTE: Do not award marks for responses that were quoted from the scenario in QUESTION 4.8.1.**

**Max. (8)****[40]****TOTAL SECTION B: 80**

**SECTION C**

Mark the **FIRST** question only.

**QUESTION 5: BUSINESS ENVIRONMENTS (SOCIO-ECONOMIC ISSUES)****5.1 Introduction**

- A trade union is an employee organisation controlled, run and paid for by its members to represent workers in negotiations with their management. ✓
- Strikes is a refusal to work by two or more employees in an effort to pressurise employers to give in to their demands. ✓
- Ethical misconduct is any behaviour by employees of the business that is not consistent with the values of the business. ✓
- Piracy is unauthorised use/reproduction or copying of original music, films, books or computer software, patent rights and trademarks without the consent of the rightful owner. ✓
- Any other relevant introduction related to the function of trade unions/negative impact of strikes/types of ethical misconduct/solutions to piracy. ✓

(Any 2 x 1) (2)

**5.2 Functions of trade unions**

- Protecting the interest of workers. ✓✓
- Representing the interest of general society and minority groups through media and negotiations. ✓✓
- Influencing government decisions. ✓✓
- Influencing management for better working conditions, salaries and benefits. ✓✓
- Representing employees corporately and individually. ✓✓
- Improving the material benefits of their members. ✓✓
- Advancing the interest of members. ✓✓
- Providing legal and financial advice. ✓✓
- Providing benefits and educational facilities to its members. ✓✓
- Supporting gender equality. ✓✓
- Protecting members in times of retrenchments and disciplinary hearings. ✓✓
- Protecting the interest of their members during disciplinary procedures. ✓✓
- Any other relevant answer related to the functions of trade unions.

**Max.** (10)

**5.3 Negative impact of strikes as a socio-economic issue on businesses**

- Strike actions may lead to production losses ✓ and decline in sales. ✓
- Businesses may be forced to close down operations ✓ after strike actions. ✓
- May lead to unhealthy working relationships ✓ between management and workers. ✓
- May force businesses to retrench some of its skilled workers ✓ to recover from losses. ✓
- Strikes leads to loss of productivity ✓ and decreases economic growth. ✓
- Loss of revenue ✓ and financial loss on business operations. ✓
- Looting, destruction of business property/infrastructure ✓ and intimidation of non-striking workers. ✓
- Employees can lose their pay ✓ with the 'no work no pay' rule applied by the business. ✓
- Businesses has to hire employees to replace striking workers ✓ and increases the training costs of new employees. ✓
- Businesses may lose market shares/customers to competitors ✓ during the period of a strike. ✓
- The image/reputation of the business ✓ might be damaged. ✓
- The supplies of goods and services ✓ are interrupted. ✓
- Prices sometimes increase ✓ to offset the costs incurred by the strike. ✓
- Scares off ✓ potential investors. ✓
- Any other relevant answer related to the impact of strikes as a socio-economic issue on businesses.

**Max. (12)****5.4 The meaning of industrial relations**

- Industrial relations refers to the relationship between the employer and employees.
- It influences the way in which businesses are guided by the Labour Relations Act.

**Max (4)**



#### 5.4 Solutions to piracy

##### Patent

- A patent prevents other businesses/people not to produce ✓ and sell the same product/specific service. ✓
- Businesses can take out a patent for new inventions ✓ and include a sample of their invention with application. ✓
- They must register a patent ✓ with the Patents Office in South Africa. ✓
- The invention must comply ✓ with Patent Act No. 57 of 1978. ✓
- They can bring legal proceedings ✓ against anyone who uses the invention. ✓
- Any other relevant answer related to a patent as a solution to piracy.

Sub-max. (6)

##### Trademark

- Businesses can use trademarks to identify themselves ✓ and their products. ✓
- They must register their trademarks ✓ with the register of trademarks at the companies and intellectual property registration. ✓
- A registered trademark is protected forever ✓ provided it is renewed every ten years and a renewal fee is paid. ✓
- Claim damages from someone ✓ who infringes the trade mark. ✓
- Any other relevant answer related to a trademark as a solution to piracy.

Sub-max. (6)

**Max. (12)**

## 5.6 Conclusion

- Trade unions are involved in ways to address poverty reduction, job creation and ways to create more equitable income and wealth distribution. ✓✓
- Strikes represent the final stage of dispute/disagreement between management and employees and should be avoided at all costs. ✓✓
- The types of ethical misconduct that occur inside the business that also present threats and challenges to businesses. ✓✓
- The negative impact of piracy on businesses makes it necessary for businesses to implement solutions to piracy to prevent losses of sales and income in the future. ✓✓
- Any other relevant conclusion related to the function of trade unions/negative impact of strikes/types of ethical misconduct/solutions to piracy.

(Any 1 x 2) (2)  
[40]

### QUESTION 5: BREAKDOWN OF MARKS

DETAILS	MAXIMUM	TOTAL
Introduction	2	<b>Max. 32</b>
Functions of trade unions	10	
Negative impact of strikes on businesses	12	
The meaning of industrial relations	04	
Solutions to piracy: o Patent o Trademark	12	
Conclusion	2	
<b>INSIGHT</b>		
Layout	2	<b>8</b>
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
<b>TOTAL MARKS</b>		<b>40</b>

\*LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some of the requirements are met.

Allocate 0 marks where requirements are not met at all.

**QUESTION 6: BUSINESS OPERATIONS (PRODUCTION FUNCTION)****6.1 Introduction**

- Production planning refers to setting goals for the production department and establishing policies/programmes and procedures to achieve these goals. ✓
- Controlling of each individual task and action in the production process and establishes the starting and finishing of each task. ✓
- The aim of Occupational Health and Safety Act is to provide for the health and safety of employees at work and during the use of plants and machinery. ✓
- Safety precautions are essential in every workplace especially when dealing with chemicals/dangerous machinery/harmful substances. ✓
- Any other relevant introduction related to the advantages of production planning/aspects that must be considered during production control/purpose of the Occupational Health and Safety Act/precautionary measures that businesses should take when handling machinery.

(Any 2 x 1) (2)

**6.2 Advantages of production planning**

- Production planning allows a business to ensure that every machine and worker is used to their full capacity. ✓✓
- Business can ensure that it has the correct amount of supplies and stock/inventory control at a given time. ✓✓
- Improved inventory control reduces wastage and unnecessary storage cost. ✓✓
- Production planning will prevent time being wasted and increases the number of final products thus increasing productivity. ✓✓
- Production planning process involves quality checks which will improve quality. ✓✓
- Any other relevant answer related to the advantages of production planning.

**Max. (10)**



### 6.3 Aspects that must be considered during production control

#### Dispatching ✓✓

- Involves issuing production orders ✓ to start production. ✓ It provides orders for:
  - o Movement of materials, ✓ tools and equipment to the necessary locations ✓
  - o Beginning the process ✓
  - o Checking the time ✓ and costs involved in the process ✓
  - o Checking the flow of work ✓ according to the routing ✓
  - o Supervising the process. ✓
- Dispatching is putting the production plan ✓ and schedule into action. ✓
- It identifies the person who will do the work ✓, supplies the specifications and materials list. ✓
- Any other relevant answer related to dispatching as an aspect that must be considered during production control.



Type (2)  
Explanation (2)  
Sub-max. (4)

#### Following up or controlling ✓✓

- Following up makes sure the scheduling and production systems ✓ are running according to plan. ✓
- It deals with unplanned issues/problems ✓ and sorts out any misunderstandings in terms of job process requirements. ✓
- Following-up on the progress of production helps ✓ to prevent bottlenecks and misunderstandings. ✓
- Any other relevant answer related to following up or controlling as an aspect that must be considered during production control.

Type (2)  
Explanation (2)  
Sub-max. (4)

#### Inspection ✓✓

- Inspection involves the checking of the quality ✓ of the process and the final product. ✓
- It is done at regular intervals during the production process ✓ as well as at the end. ✓
- Inspection methods ✓ include the random selection of products/viewing/sampling and testing the product. ✓
- Legal and regulatory processes are also checked ✓ to ensure that the necessary standards are met. ✓
- Any other relevant answer related to inspection as an aspect that must be considered during production control.

Type (2)  
Explanation (2)  
Sub-max. (4)

**Corrective action** ✓✓

- Corrective action involves any adjustments✓ to the planning process. ✓
- Staffing issues ✓ are also dealt with by corrective action. ✓
- Any other relevant answer related to corrective action as an aspect that must be considered during production control.

Type (2)  
Explanation (2)  
Sub-max. (4)

**NOTE: Mark the first THREE (3) only.**

**Max. (12)**

**6.4 Purpose of Occupational Health and Safety Act**

- Requires every business to establish and maintain, a safe work environment ✓ that is without risk to the health of the workers. ✓
- Review the efficiency ✓ of health and safety measures. ✓
- Outlines the roles and responsibilities ✓ of employer, employees, manufacturers, designers, importers, suppliers and sellers. ✓
- Clarifies the roles and duties ✓ of the health and safety representative and committee. ✓
- Requires that the main dangers and potential incidents of the workplace ✓ be identified and eliminated. ✓
- Examines the causes of incidents by any employee ✓ relating to the employee's health and safety at work. ✓
- Expects employees to co-operate and follow the necessary instructions ✓ and report any unsafe situations. ✓
- Makes presentations to the employer ✓ concerning general health and safety issues at the workplace. ✓
- Any other relevant answer related to the purpose of Occupational Health and Safety Act.

**Max. (12)**

**6.5 Precautionary measure businesses should take when handling machinery**

- All machinery and equipment must be correctly installed and safe to use. ✓✓
- Workers must be properly trained on how to use machinery and must be informed about the risks when using the machinery. ✓✓
- Regular safety checks must be carried out and machinery should be maintained and serviced regularly. ✓✓
- Workers need to wear protective clothing and gear such as overalls, hard hats and safety helmets, ear plugs, masks, heavy-duty safety boots, welding goggles and gloves when working with machinery and equipment. ✓✓
- Develop a culture of safety in the workplace. ✓✓
- Familiarise employees with safety procedures. ✓✓
- Any other relevant answer related to the precautionary measures that businesses should take when handling machinery.

**Max. (12)**

## 6.6 Conclusion

- Ongoing production planning is necessary due to the constant changes in the manufacturing process. ✓✓
- Production control ensures that production is undertaken according to the production plan. ✓✓
- OHSA requires that employees are expected to co-operate and follow the necessary instructions and report any unsafe situations. ✓✓
- When machinery and equipment are used in a factory, the risk of accidents is high and businesses should draw up their own workplace safety policy and enforce necessary control measures. ✓✓
- Any other relevant conclusion related to the advantages of production planning/aspects that must be considered during production control/purpose of the Occupational Health and Safety Act/precautionary measures that businesses should take when handling machinery.

(Any 1 x 2) (2)  
[40]

### QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max. 32
Advantages of production planning	10	
Aspects that must be considered during production control	12	
Purpose of the Occupational Health and Safety Act	12	
Precautionary measures that businesses should take when handling machinery	12	
Conclusion	2	8
INSIGHT		
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	40
TOTAL MARKS		

\*LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some of the requirements are met.

Allocate 0 marks where requirements are not met at all.

**TOTAL SECTION C: 40**

**GRAND TOTAL: 150**